

Summary: Tribal Administrator Stole Tribal Funds

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Report Number: 17-0939

The OIG investigated allegations that a tribal administrator stole tribal funds that may have included Federal funds received from the Bureau of Indian Affairs.

We found that between 2014 and 2017, the tribal administrator embezzled \$158,063.35 from a tribe through unauthorized checks (\$104,862.99) and unauthorized debit card purchases (\$53,200.36). The tribal administrator had sole access to the tribe's accounting software and supporting documentation and maintained a separate vendor account in the accounting software to make and conceal duplicate payroll and undocumented check payments. The tribal administrator asked council signatories to sign blank checks without additional information or notice, which they did, and then the tribal administrator drafted those checks to herself and either cashed or deposited the funds; the tribal administrator also had access to the tribe's debit card for purchases.

We coordinated our investigation with the appropriate U.S. Attorney's Office, which ultimately declined criminal prosecution of this matter. The tribe pursued civil claims and obtained a default judgment against the tribal administrator in U.S. District Court in an amount greater than \$700,000.¹

This is a summary of an investigative report we issued to the Bureau of Indian Affairs Director.

¹ It is our understanding that this amount addressed a variety of alleged financial improprieties in addition to the unauthorized checks and debit card purchases.

